



County of Los Angeles CHIEF EXECUTIVE OFFICE

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February 17, 2009

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From: William T Fujioka
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Interim Director
Department of Health Services

STATUS OF COMPLIANCE IN LOS ANGELES COUNTY WITH SB 1953 (ALQUIST), RELATING TO THE ALFRED E. ALQUIST HOSPITAL FACILITIES SEISMIC SAFETY ACT, AND LEGISLATIVE RECOMMENDATIONS TO ENSURE CONTINUING ACCESS TO PATIENT CARE

On December 16, 2008, your Board approved a motion by Supervisor Knabe instructing the Chief Executive Officer (CEO) to report back within 60 days on the overall status of compliance in Los Angeles County as it relates to the standards required by SB 1953 (Alquist); and further instructing the CEO and the Interim Director of the Department of Health Services (DHS) to come back with legislative recommendations to ensure existing access to patient care continues.

Background

The Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1973 established stringent seismic safety requirements for new hospital construction following the 1971 San Fernando Valley earthquake. After the 1994 Northridge earthquake, SB 1953 was enacted adding additional seismic safety requirements. While previous requirements for seismic safety focused on life safety, SB 1953 was intended to ensure the continued operation of hospitals after a large scale earthquake, and required the development of seismic evaluation procedures.

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SB 1953 established a number of compliance goals in multiple phases based on the results of the seismic evaluation of hospitals. After January 1, 2008, any general acute care hospital building determined to pose a significant risk of collapse or loss of life must be rebuilt or retrofitted to withstand an earthquake, or used only for non-acute care hospital purposes. No later than January 1, 2030, owners of all acute care inpatient hospitals must either: 1) demolish, replace, or change to non-acute care use all hospital buildings, which were not in substantial compliance with regulations and standards developed by the California Office of Statewide Health Planning and Development (OSHPD); or 2) seismically retrofit all acute care inpatient hospital buildings so that they are in substantial compliance.

Subsequent to the enactment of SB 1953, other legislation provided time extensions for hospital compliance. These bills included: 1) SB 1801 (Speier) of 2000, which extended the deadline for compliance for five years beyond the 2008 deadline to 2013; 2) SB 1661 (Cox) of 2006, which provided an additional extension of two years through 2015; and 3) SB 306 (Ducheny) of 2007, which allowed hospital owners who do not have the financial ability to retrofit by 2013 to replace their hospital buildings by 2020. In the event that a hospital chooses to retrofit under the SB 1801 or SB 1661 extensions, to meet the 2013 or 2015 deadlines, it is still required to construct a new hospital to meet the 2030 requirements.

Hazards U.S. Multi-Hazard (HAZUS) Risk Assessment Program

New scientific advances in testing methodologies have been developed that can predict the seismic resistance strength of hospital structures with greater accuracy than those established in response to SB 1953. These include the Hazards U.S. Multi-Hazard (HAZUS) risk assessment program developed by the Federal Emergency Management Agency (FEMA) as "a powerful risk assessment software program for analyzing potential losses from floods, hurricane winds, and earthquakes."

According to FEMA, in November 2007, the California Building Standards Commission approved the use of HAZUS software to re-evaluate hospitals in California. FEMA indicates that the Commission's action effectively amended the rule for implementing SB 1953. County DHS notes that this software could result in the reclassification of hospital structures from those deemed to be at greatest risk of collapse to those not in danger of collapse, which could significantly reduce the number and scope of hospital retrofit and construction projects. HAZUS determinations and reports from hospitals deemed at greatest risk for collapse are due to OSHPD by June 30, 2009.

Obstacles to Compliance

The Long Beach Health Coalition, the California HealthCare Foundation, the Hospital Association of Southern California, and the California Hospital Association, among others, cite a growing number of compliance issues including dramatic increases in

construction costs and the complex logistics involved with the provision of services while conducting extensive construction and/or retrofit projects since the enactment of SB 1953.

Compliance with SB 1953 Requirements in Los Angeles County

OSHPD categorizes the most seismically deficient buildings as Structural Performance Category-1 (SPC-1) structures. These buildings are considered to be collapse hazards, meaning they could experience catastrophic failure during an earthquake. According to a January 2007 RAND study, hospitals in Los Angeles County account for 41 percent of the State's SPC-1 buildings affecting 28 percent of the State's population.

The County submitted a formal request to OSHPD requesting the status of compliance for all hospitals in Los Angeles County; however, at this time, OSHPD does not have the necessary data to establish the status of compliance with the retrofit program. SB 1953 did not include a mandatory requirement for hospitals to report their progress toward compliance to OSHPD. SB 1661 requires hospitals to report their compliance status to OSHPD by June 30, 2009, at which time the overall status should be available.

A partial status list of hospitals applying for an extension under SB 306 is available. As of December 2008, 17 private Los Angeles County hospitals had applied to OSHPD for an extension under SB 306 provisions. Of these applicants 6 were approved, 6 were denied, and 5 were under secondary review. The deadline for SB 306 extension applications is June 30, 2009.

Hospitals found by OSHPD to have non-structural deficiencies, and retrofitted to address those problems, can remain operational beyond the 2030 deadline. Those with structural deficiencies may remain operational following seismic retrofit until January 1, 2030, but a new hospital built to current seismic code standards must be constructed to remain operational beyond that date.

The status of Los Angeles County-owned and operated hospitals is as follows:

- **LAC+USC Medical Center** – This is a new hospital, built to current seismic code; therefore, there are no SB 1953 compliance issues.
- **Olive View-UCLA Medical Center** – A non-structural seismic retrofit was completed in June 2008, and the hospital can remain operational beyond the 2030 deadline.
- **Harbor-UCLA Medical Center** – A seismic retrofit project to address external structural seismic bracing standards established by SB 1953 was completed in 2004. Currently, a project to address the internal bracing requirements is under construction and will be performed concurrently with the Surgery and Emergency

Room Expansion Project. The County obtained an extension for compliance until 2013. The retrofit is scheduled for completion in May 2012. The retrofit will allow the hospital to remain operational through 2030; however, a new hospital must be constructed to remain operational beyond January 1, 2030.

- **Rancho Los Amigos National Rehabilitation Center** – The seismic retrofit of the Rancho Los Amigos National Rehabilitation Center will be addressed in the campus consolidation into SB 1953 compliant buildings previously approved by your Board and scheduled for completion in 2013. The hospital will remain operational beyond the 2030 deadline.
- **Martin Luther King Jr., Medical Center** – The planned seismic retrofit was placed on hold after the license was suspended, and is pending a decision about the future of the hospital. If a new hospital is built, compliance with the retrofit requirement will not be necessary, as the new structure will be built to current seismic safety regulations.

The CEO, Department of Public Works (DPW), and DHS will review, on a case-by-case basis, the necessity of applying for any extensions to meet the requirements of SB 1953.

Regional Impact Resulting from Partial Compliance by Hospitals

County DHS is particularly concerned about the potential regional impact in the event of non-compliance by non-County owned facilities. While some hospitals in Los Angeles County have already complied with the seismic retrofit requirements mandated by SB 1953 and related legislation, there are a substantial number of private hospitals that report financial hardships in meeting those requirements. Non-compliance, and the potential closure of those facilities, would have an adverse impact on hospital access, further undermining an already stressed County health care system. The current economic downturn makes it even less likely that these hospitals will have the financial resources to comply with SB 1953.

Possible Legislative Pursuits and Other Alternatives

The County's Sacramento advocates report that Senate and Assembly Health Committee staff are not aware of any legislation addressing hospital seismic safety that has been introduced or that is planned for introduction in the current legislative session. However, the deadline for bills to be introduced is February 27, 2009, and it is possible that such a bill will be introduced.

According to the California Hospital Association, the Administration and legislative leadership have informed the Association that they will not support blanket extensions to the seismic mandate deadlines. Although they are sensitive to the need for seismic

relief, they do not want to establish a policy until the HAZUS determinations and reports from hospitals deemed at greatest risk for collapse are analyzed and shared with the Legislature and Administration. These reports are due to OSHPD by June 30, 2009.

The following possible legislative or alternative solutions could be pursued to mitigate the potential of any adverse regional impact by assisting hospitals that will not be able to comply due to financial and other hardships.

1. Mobile crisis centers

There is growing interest in the hospital community to pursue alternative solutions, which could meet the original goal of SB 1953, which is to ensure continued hospital operations and access following catastrophic seismic activity, including the use of mobile crisis centers, which are small scale mobile hospitals. Proponents indicate that mobile crisis centers would ensure the availability of hospital access, which could avoid the prohibitive financial hardship associated with hospital seismic retrofit and construction. The use of mobile crisis centers as an alternative to comply with the requirements of SB 1953 would require legislative change.

The County's Emergency Medical Services (EMS) currently has three programs which provide a range of mobile hospital services: 1) federally funded Disaster Medical Assistance Teams (DMAT); 2) mobile trailers equipped with surgical suites; and 3) temporary hospital modular units designed for set-up in large open spaces to take the place of any uninhabitable hospital structures.

DMATs are groups of trained medical and support personnel, usually working in groups of 35 that are deployable upon short notice to disaster areas. EMS recently dispatched DMAT personnel to assist Texas last September following the devastation of Hurricanes Gustav and Ike. Los Angeles County's DMAT spent a week providing medical care to the residents of Galveston who were returning home and were in need of medical care that was not available at local hospitals.

The County's EMS has recently procured mobile trailers each equipped with a ten bed emergency department and two operating rooms, which could be deployed within a matter of hours. Although these trailers were funded by a Department of Homeland Security grant, and were originally intended to respond in the event of manmade disasters, their use has since been expanded to include any disaster. These trailers could effectively be deployed following an earthquake. It should be noted, however, that such trailers would not be able to accommodate the large number of patients potentially seeking inpatient care following such a disaster due to the physical size limitations of mobile trailers.

In addition, EMS has recently procured a 100 bed mobile tent hospital, which could be deployed and made fully operational within several days in a large open space. EMS staff notes that mobile tent hospitals rely on obtaining support services such as linens, food, and materials management from an existing hospital or other source, which limits the level and scope of the care that can be provided. A form of this modular hospital concept is used extensively by the armed forces.

2. Alternative structural evaluation methodologies

DHS indicates that further refinement of the HAZUS program, or the development of other alternate structural analysis methods, can potentially result in better assessment methodology. Further advances in this field could determine that existing hospital structures may be safe from collapse in the event of a major seismic event when previous analysis failed to do so. This would require that the structural engineering community, in concert with applicable jurisdictional agencies, review these potential advances, similar to the HAZUS program, to further assess the hospital infrastructure Statewide. Any reclassification of hospital buildings to a higher SPC rating is expected to result in significant capital savings.

3. Future economic stimulus funds for hospital infrastructure

The recent economic downturn has prompted proposals by the Federal government to fund major capital and infrastructure projects nationwide. The County's Washington, D.C. advocates report that there is no program or provision in the current economic stimulus package that provides direct grant funding to hospitals to retrofit or replace facilities to comply with seismic safety standards.

Recommendation

There is currently no apparent consensus among hospitals or hospital associations regarding the most prudent approach to achieve compliance with hospital seismic safety requirements. Because the Administration and legislative leadership have made it clear that they will not consider legislation addressing hospital seismic safety policy issues before release of the HAZUS determinations and hospital reports to OSHPD in June of 2009, the hospital community appears to be deferring introduction of any specific legislation until that time. The viability of legislation proposing alternatives to compliance with SB 1953, including the use of mobile crisis centers, is likely to be dependant on the outcome of these reports.

Therefore: 1) the CEO and DHS will continue to work with hospitals and their associations to recommend pursuit of any legislative alternatives including the use of mobile crisis centers, after the release of HAZUS determinations and hospital reports in June of 2009; and 2) the CEO and DHS will identify and report to your Board any measures that may be introduced in the current State legislative session to address hospital seismic safety compliance issues.

WTF:JFS:DL/GK
MS:sb

c: Executive Officer, Board of Supervisors
County Counsel